

someone's total credit card debt equaling the total amount of income that they bring in each year.

And so what do people do? If they do that at home, unfortunately a lot of people go and get another credit card and they borrow money from that to pay the minimum on the first credit card. But then they have to go and get another credit card to pay the minimum on that one to pay the minimum on that one. It doesn't work. It spirals down and down until finally it ends in bankruptcy. It's unsustainable.

Most American families understand that. They live within their means. Washington should, too.

I grew up watching my mom and my dad wrestle with balancing the budget on our family farm. They would sit down around the kitchen table at the start of the year and develop a cash flow projection for the upcoming year listing the expenses that would be necessary to put in the crops and projecting the anticipated yields and prices to see how we were going to fare and to ensure that we didn't go over budget.

Then my parents would monitor it throughout the year to see how it was doing. My mother would spend hours with her pencil erasing and adjusting the budget as conditions changed either up or down. They used to make my sister and me sit down and participate in the process with them. And I can tell you, as a child, we weren't that thrilled with this tedious task because sometimes it would take hours. But now I'm thankful that they did, and they had the foresight to teach us the importance of balancing a budget.

I conveyed that importance to my students when I used to teach personal family finance as a home economics teacher. I told the students that when you budget, the expenses shouldn't be more than the income. They got it. Washington should, too.

Now we have the opportunity this week to bring the common sense and the business sense of American families and American small businesses to Washington to force it to live within its means by passing the balanced budget amendment. I firmly believe that this constitutional amendment is the best way to restrain the out-of-control Federal spending of Big Government. Forty-nine States have some form of a balanced budget requirement, and it works for them. I know it works for Missouri, and I believe it will work in our Nation's capital, too.

When I was a Missouri State representative, we budgeted according to the revenue projection given us and designed our budget to match the income. If we didn't have the money, we didn't spend it. Because of that, Missouri is on sound financial footing. Clearly, Washington is not because it has failed to balance its budget.

Passing the balanced budget amendment will force Washington to cut up these credit cards and to start living within its means. Families are tight-

ening their belts at home to make ends meet. Our Federal Government needs to do likewise.

President Ronald Reagan understood the importance of the balanced budget amendment. He said, "Only a constitutional amendment will do the job. We've tried the carrot, and it failed. With the stick of a balanced budget amendment, we can stop government squandering, overtaxing ways, and save our economy."

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That's why I am excited about this historic vote that we're going to take tomorrow, and I urge all of my colleagues, Republicans and Democrats, to get behind this commonsense provision that will set us back on the path to a strong financial footing. Now is the time to stop the reckless course that we are on and get things right. I look forward to applying the cash-flow knowledge I learned around the kitchen table as a child to our Federal budget. It worked at home. It's time to make it work in Washington.

REFLECTIONS OF A LIFE

The SPEAKER pro tempore. The Chair recognizes the gentleman from Texas (Mr. AL GREEN) for 5 minutes.

Mr. AL GREEN of Texas. Mr. Speaker, there are unsung heroes and heroines among us. These are the persons who overcome great challenges just to do the ordinary. They're not born into plenty—they're often born into poverty—but they have lives that are rich in that they overcome great obstacles in life just so that they can be of benefit to the lives of others.

One such heroine was born on January 26, 1934. She passed last week on November 9, 2011. Her story is one that I would hope we would remember simply because it exemplifies the life of a person who met challenges, who did everything that was required, who played by the rules—and sometimes these persons go unnoticed.

Lola Mae Bolton Davis was born in Anderson, Texas, to Arllie Pratt Sanders and Charlie Bolton. She was their second born. She attended Allen Farm School up to the eighth grade. She joined Rockwest Baptist Church.

At the age of 16, she moved to Houston, Texas, where she acquired her first job as a housekeeper. At the age of 18, she met the love of her life, Ruben George Davis, Sr. A year later, they had their first child, Pamela. She went on to attend Franklin Beauty School. Eventually, she opened her own business, and it was known as the Lola Davis Beauty Nook. She later had three additional children—Ruben, Paula and Renwick.

She was hired by Texas Instruments in 1969. While she was working there, she received her GED. Later, she received her associate's degree from Houston Community College. She enrolled at Texas Southern University and graduated with a degree in edu-

cation. She taught in the Houston Independent School District.

Mind you, this is a person who dropped out of high school, who received a GED, who went on to get an associate's degree, who got her degree in education, and now she's teaching in the Houston Independent School District.

She was known as "Grandma Davis" to her students. Her son Ruben became a constable in Harris County. He is still a constable, but is now in Fort Bend County. Her children have done well.

She played by the rules. She did not receive all of the awards that one might receive who has excelled and made a great contribution by way of an invention or maybe made a great contribution of having been elected to public office, but she did do this—she was a good citizen who did the right thing: took care of her family and produced offspring who have done well.

So, today, I salute her as an unsung heroine. Thank God for the many unsung heroes and heroines who are at the very foundation of what makes this Nation great. God bless you.

God bless the United States of America, and God bless our unsung heroes and heroines.

LET US PASS A BALANCED BUDGET AMENDMENT

The SPEAKER pro tempore. The Chair recognizes the gentleman from New Jersey (Mr. GARRETT) for 5 minutes.

Mr. GARRETT. Mr. Speaker, I rise today to speak in favor of a balanced budget amendment, and some would say it's the only solution to our current fiscal crisis.

Statesmen throughout the history of our Republic have stressed the importance of fiscal responsibility, but it's the voice of Thomas Jefferson that, I think, we must pay particular attention to.

Thomas Jefferson bore the burden of debt throughout his entire life, and some historians have argued that Jefferson's personal experiences influenced his thinking about the public debt as well. Jefferson inherited a significant amount of debt at the young age of 31, and some say his own spending added to that and worsened his financial condition personally during his life. When he died, he, unfortunately, passed his debt on to his descendants, which is exactly what this Federal Government is doing now to future generations today.

So, if the Federal Government says that it's so concerned about the welfare of our children and the next generation and the next generation, then we should be taking the time right now to address this staggering public debt that our children and our grandchildren will stand to inherit if our leaders here in Congress fail to have the courage to—what?—cut spending and to balance our budget and to live within our means.

Jefferson had a moral message to the future public servants in this regard. He believed that those who are entrusted by their constituents to represent them, as he said, "shall consider themselves unauthorized to saddle posterity with our debts and are morally bound to pay them ourselves."

Jefferson expanded on this message in a letter he wrote to James Madison in 1798. He said, "Neither the representatives of a nation, nor the whole nation itself assembled, can validly engage debts beyond what they may pay in their own time."

Still writing to Madison, he explicitly endorsed a balanced budget amendment, stating, "With respect to future debts, would it not be wise and just for a nation to declare in its constitution that neither the legislature nor the nation, itself, can validly contract more debt than it may pay within its own age."

So what would Jefferson think about where we are in this country today?

The CBO, the Congressional Budget Office, has projected that maintaining all of our current spending would eventually require that the middle class in this country would have to have a tax rate of almost two-thirds of all their income—63 percent—and that the small businesses in this country would have to see their tax rates skyrocket up to 88 percent in order to cover all the spending.

These numbers have a real impact on the lives of individuals, on families, and on businesses. So, if Congress were then to keep on spending and have to raise taxes as much as the CBO has prescribed, Congress would do what? Congress would basically doom our families to a crushing tax burden, and this would smother the ability of businesses to expand and, therefore, to create jobs.

See, the economics of all this is very clear. If we refuse to address our spending problems, tax rates are going to have to rise, and they will rise in such a manner that would commit future generations to a tax burden to pay for—what?—the spending of today.

So we now, as often is the case, stand at a crossroads. We can continue to do as we have done in the past, which is to overspend and borrow and put this burden on our children, or we can do something else. We can demonstrate our commitment to a balanced budget by making it the supreme law of the land in this country.

Let me conclude then with a final quote from Jefferson:

"To preserve the people's independence, we must not let our government load us up with perpetual debt. We must make our selection between economy and liberty or profusion and servitude."

So let's make Jefferson's dream a reality. Let us pass a balanced budget amendment.

MF GLOBAL

The SPEAKER pro tempore. The Chair recognizes the gentlewoman from Ohio (Ms. KAPTUR) for 5 minutes.

Ms. KAPTUR. Mr. Speaker, thank goodness some Americans continue to analyze the real causes of job loss and turmoil in our economy. While all eyes are on Europe, the problem just isn't in Greece.

On October 31, U.S.-based MF Global Holdings, Limited filed for chapter 11. It reportedly is the eighth largest bankruptcy in U.S. history. Its failure, like the crash in 2008, revolves around the actions of money traders using slick instruments called "credit derivatives." As analysts try to piece together what happened at MF Global, one word seems to keep popping up: fraud.

I would like to include in the RECORD a few recent articles on the Wall Street perpetrators of this crisis.

[From Reuters, Nov. 7, 2011]

FRUSTRATION MOUNTS FOR MF GLOBAL CLIENTS

(By Lauren Tara LaCapra)

The sudden collapse of MF Global Holdings Ltd is leaving some small and independent futures traders angry and frustrated.

Customers of the bankrupt firm are starting to complain about getting checks that bounced, having requests to transfer funds denied and receiving inaccurate account statements.

The growing litany of woes is adding to the tasks for the receiver assigned to liquidate MF Global and causing some investors to voice concern about the basic plumbing of the financial services system.

Steve Meyers, an independent futures trader in Florida, said he asked for \$500,000 from his MF Global account to be wired back to him on October 28 because he was concerned about the firm filing for bankruptcy.

The money never was wired.

Instead, on November 2, Meyers received several checks from MF Global that were dated October 28. By the time he went to deposit the checks, MF Global had filed for bankruptcy on October 31 and the checks were not honored for payment.

Between himself and several clients he manages money for, Meyers said he has several millions of dollars still tied up with MF Global.

"I am sitting with hundreds of thousands of dollars in returned checks," said Meyers. "I just think the industry has suffered irreparable damage from this."

Other clients of the firm led by former New Jersey Governor Jon Corzine are telling similar stories.

Chris Ries, who co-manages a commodities brokerage and grain dealer in Iowa that cleared trades through MF Global, said several clients had checks bounce even though they deposited them before MF Global's bankruptcy on October 31.

The situation has been made worse, he said, because customers' account balances appear as though they received the cash even though the checks did not clear.

"Eventually it may all get cleared up," said Ries, "but for now, accounts with bounced checks don't reflect the balance that they should."

Missing \$600 Million

Some clients' checks were drawn on an MF Global account held at a Harris Bank branch in Illinois. Harris Bank is a subsidiary of Bank of Montreal.

Jim Kappel, a spokesman for Harris, said the bank began denying payment and returning checks on November 1, at the direction of the bankruptcy trustee. While some checks might have been dated before October 31, he said, they were likely debited at a later date.

Clients' issues with bounced checks come as MF Global and its regulators continue to hunt for \$600 million in client money that has gone missing. It is not clear if some of the bounced checks are part of the unaccounted money.

It appears MF Global began issuing checks to customers seeking funds—instead of wiring the money—as a way to buy some time for the firm, which was hoping to arrange a last-minute sale to Interactive Brokers, some of the customers say. The deal fell apart last Monday when the issue of the missing customer money arose.

A week later, regulators have yet to provide an answer on what became of the missing \$600 million, although some money has been located in an account with JPMorgan Chase.

Brokers who cleared through MF Global say they have been allowed to move some of their money to new firms, but not all of it. They have been waiting for guidance from the trustee or regulators on when they will get access to all of their funds.

Frustration

MF Global's trustee, James Giddens, had frozen 150,000 accounts when the firm filed for bankruptcy protection.

On Monday, Giddens said \$1.5 billion worth of client money had been transferred to other firms. But the trustee and CME Group Inc, which regulates futures exchanges, have held back some \$1 billion in customer funds as they search for the missing money, angering clients who can trade again but are still frozen out of their excess collateral and cash.

"We can understand the frustration of customers," Kent Jarrell, a spokesman for the trustee, told Reuters. "That is why we are working around the clock to facilitate the transfer and return of customer assets. Unfortunately, this will take time as we conduct our independent and thorough investigation and maximize the estate for all stakeholders in a fair process."

Some traders who tried to move their money from MF Global to other clearing firms or banks even before the company went belly-up have also been left in the lurch.

One independent options trader in Chicago said he placed a wire request on the morning of October 28 to transfer \$1.25 million from MF Global to JPMorgan Chase.

The transfer never occurred.

An MF Global representative said JPMorgan rejected the transfer because of errors in the account number, the trader said, but upon double-checking the wire request form he found no mistakes. The funds have remained frozen at MF Global since its bankruptcy, he said.

"We pretty much have zero clarity," said the trader, who did not want to be identified. "I have a feeling the wire instructions probably just got lost in the turmoil."

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In a recent posting, attorney William Black describes the failure of our justice system to investigate "accounting control fraud as a systemic risk that underlies the damage still being done."

The collapse of MF Global has garnered massive attention, partly because Jon Corzine sat at its helm. Mr. Corzine is a former chief executive officer of infamous Goldman Sachs. He is also a former U.S. Senator and former